



# BravoAdvantage for Packaging

Deliver high-impact results for complex, business critical categories for Packaging

## Sourcing Challenge

For many years, sourcing managers have successfully used strategic sourcing techniques to drive savings in strategic spend categories. Under increased pressure to deliver incremental savings and service improvements, sourcing managers must look for new approaches to working with their supply base, particularly in their largest, most complex categories like packaging materials.

For packaging where print quality and copy control can be crucial, spend can be large, stakeholders have concerns which must be reconciled, and where making mistakes can be costly, traditional approaches to sourcing may not suffice. While a simple price leveraging approach may yield short term results in some markets, buyers who seek out innovative techniques for managing costs and maintaining critical supplier relationships will see a more lasting impact. Unfortunately, executing such approaches can prove challenging for organizations as the scale and complexity of their projects increase.

## Our Answer

BravoAdvantage for Packaging moves beyond traditional sourcing approaches to deliver software tools and targeted services that enable your packaging sourcing teams to fully understand the economics of your suppliers' manufacturing platforms, and which balances supplier capabilities and interests with buyer business constraints and preferences. Flexible packaging, rigid packaging, folding cartons, and corrugated, for example, are packaging categories that each have a unique cost formula and require a distinct sourcing strategy.

BravoAdvantage for Packaging's configurable platform addresses the unique attributes of each packaging category and client situation, and are informed by lessons garnered from BravoSolution's years of experience delivering high-impact results in our clients' most complex, business-critical categories—allowing you to move beyond a sourcing-only approach to a broader supply chain view, and providing the services and tools to enable decision making at that level.

## Dynamic Proposal Collection

BravoSolution's category-specific RFX tools allow for effective communication of requirements and guide your suppliers through the process of creating detailed expressive proposals while minimizing tedious data entry. Our proprietary RFX technology emphasizes flexibility and user efficiency to allow you to quickly launch customized events to meet your unique needs.

BravoSolution's dynamic, formula-driven approach allows your suppliers to easily and consistently indicate a variety of material, process, structure, and equipment options for your consideration, and provides insights into supplier economics to uncover opportunities for improved partnership.

As run sizes and SKUs change, the visibility offered through a formula-driven approach ensures consistency of pricing adjustments through should-cost modeling. In addition, your suppliers are able to express where significant savings could be achieved through greater collaboration, alternative processes or materials, improved order patterns and more. Capacity restrictions are collected separately from pricing, allowing

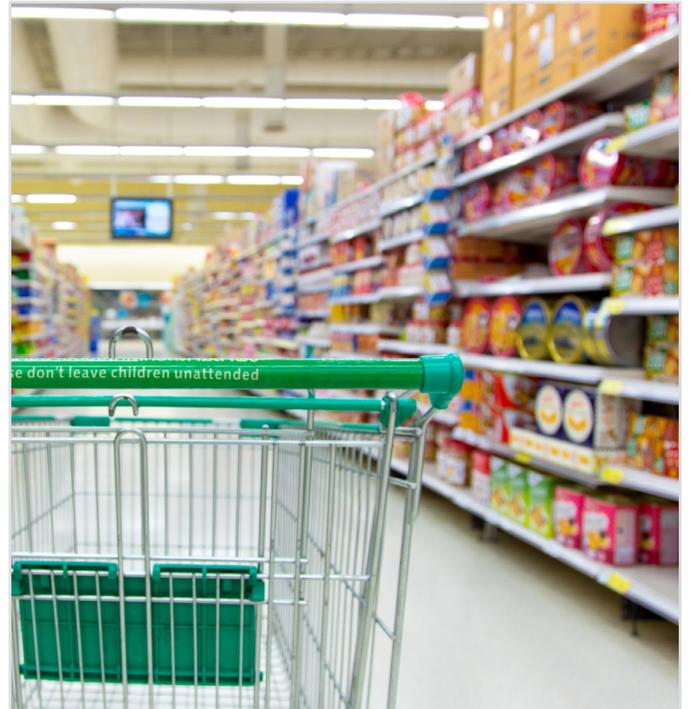
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you to determine how to best allocate equipment and plant capacity across the entire supply base, as opposed to forcing your suppliers to individually limit their proposals. BravoAdvantage for Packaging removes the restrictions associated with many do-it-yourself software packages to allow your sourcing teams to rapidly implement a tailored RFX.

### Optimization Scenario Manager

BravoSolution's fast, user-friendly optimization scenario analysis tool identifies the best award allocations based on supplier proposals and the business constraints of the buyer. BravoSolution's flexible constraint modeling interface makes it easy to create and analyze business rules. Customizable scenario generation allows you to evaluate unlimited sets of assumptions, preferences, and requirements.

Scenario results are clearly represented in organization-specific reports designed to support your sourcing teams with information to evaluate not just price and savings, but operational impact, supplier transition, capital costs, and more. Your sourcing teams can use this analysis to quickly build consensus by understanding costs of requirements and preferences, develop appropriate negotiation strategies, and drive implementation.

### Packaging Business Center

BravoSolution's Packaging Business Center is a modular, web-enabled collaborative application that supports comprehensive ongoing packaging spend management. In addition to do-it-yourself sourcing, BravoSolution offers

custom reporting and analysis tools that link disparate data sources and foster communication among all affected parties to ensure the anticipated sourcing results become reality and to drive continuous improvement. BravoSolution's Packaging Business Center houses each supplier's cost formula and facilitates the pricing of new items or items with changed demand or specification. In this way, tight cost control is maintained over the duration of the contract, particularly when price adjustments are required due to changes in feedstock costs. The Business Center provides comprehensive views to aid you in making sourcing decisions, managing contracts, monitoring supplier performance, understanding changes in demand, and tracking compliance. Buyer-specific reports, coupled with ad-hoc reporting, support communication with all stakeholders.

### Targeted Services

BravoSolution's experienced consultants can provide any level of support desired throughout your sourcing process in order to maximize your benefit from the tools. Whether the need is for fully-managed event leadership or targeted data preparation and report development, BravoSolution consultants work with you and your team to provide the appropriate support that enables each project to be successful. From sourcing strategy development and baseline preparation, to negotiation and implementation support, BravoSolution's experienced project teams are designed to offer flexible models that meet your support and budget needs.

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	Today's Challenge	With BravoAdvantage for Packaging
Proposal Collection	<ul style="list-style-type: none"> <li>• Proposal data is large and unwieldy</li> <li>• Suppliers cannot offer customized pricing and discounts</li> <li>• Suppliers cannot offer alternative processes, structures and materials</li> <li>• Data in disparate sources results in overlooked items and incomplete baselines</li> <li>• Small changes in requirements allows suppliers to make dramatic changes to pricing after contracts are signed</li> </ul>	<ul style="list-style-type: none"> <li>• Customized interfaces collect detailed proposals while minimizing supplier input</li> <li>• Custom bundling reveals suppliers' unique economics and deeper discounts</li> <li>• Flexible structure allows quick and easy creation of complete alternative bids</li> <li>• Detailed baselines accurately communicate requirements and support analysis needs</li> <li>• Formula-based approach allows for should-cost modeling, ensuring consistency across bids and shields buyers from unjustified price increase</li> </ul>
Proposal Analysis	<ul style="list-style-type: none"> <li>• Technology and resource constraints limit any analysis beyond simple price comparison</li> <li>• Quantifying costs and benefits is time consuming and imprecise</li> <li>• Reporting results to stakeholders is hampered by decentralized analysis efforts</li> </ul>	<ul style="list-style-type: none"> <li>• Proprietary optimization algorithms analyze hundreds of thousands of proposals from multiple suppliers on thousands of items</li> <li>• Buyers may build any number of scenarios using a simple yet powerful interface</li> <li>• Built-in reporting offers comparisons across scenarios</li> </ul>
Category Management	<ul style="list-style-type: none"> <li>• Complex sourcing results make implementation difficult; significant savings "leakage" destroys a large portion of the projected savings</li> <li>• New items and specification changes enter the demand picture and cannot be captured competitively using existing agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing availability of properly structured rates and formulas help manage cost on new items as well as items which experience changes in volume, order patterns, and feedstock price</li> <li>• BravoAdvantage for Packaging ensures compliance performance and facilitates ongoing competitiveness of pricing</li> </ul>

### Benefits

- Sustainable, real-world savings
- Superior level of supplier/buyer collaboration
- Robust investigations into conversion economics
- Deeper understanding of suppliers' conversion strengths and weaknesses
- Broad supply chain considerations
- New insights to drive better business results
- New/emerging sourcing opportunities identified
- Detailed analysis of the cost/benefit of business constraints
- Competitive advantage in all market conditions
- Greatest long-term value from sourcing initiative

### Key Features

- Customizable proposal collection structures
- Streamlined data entry
- Formula-based bidding approach
- Unlimited custom bundling
- Capacity decoupled from the item
- Flexible scenario analysis
- Natural-language constraint creation
- Category-specific reporting
- Ongoing decision support for buyers

### About BravoSolution

- **Leverage Proven Global Results** - 100,000 purchasing executives across 70 countries and 700,000 suppliers globally rely on BravoSolution products and services.

- **BravoAdvantage** - BravoAdvantage is the strategic procurement platform that enables organizations to generate more value, influence innovation and reduce risk. Powered by a unique supplier-focused approach that integrates supplier lifetime value throughout the entire procurement process, BravoAdvantage provides the visibility, insight and transparency required to power and improve every procurement initiative and decision.

- **Engage the Experienced Team** - The BravoSolution customer commitment is to provide exceptional people and smart, proven, cutting-edge processes to ensure customer success. BravoAdvantage is powered by an experienced team of global procurement professionals, equipped to help with organizational transformation and management, implementation, adoption, support, and procurement strategy.

- **Connect with a BravoSolution Professional** - Learn more about BravoAdvantage and how we can help you unlock your organization's hidden value and savings throughout the procurement processes.

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